

FILED

July 09, 2021

CLERK, U.S. DISTRICT COURT
WESTERN DISTRICT OF TEXAS

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
WACO DIVISION

BY: lad
DEPUTY

LIBERTY TAX SERVICE

AND

SIEMPRETAX + LLC & JTH TAX LLC

Plaintiffs,

VS.

Case # 6:20-cv-140-ADA

Mickey White

AND

NATTY'S TAX SERVICE

Defendants

DEFENDANTS RESPONSE TO SECOND AMENDED RETURN.

Defendant will be shown extreme prejudice if this suit is allowed to go forward. Defendant has already suffered a life altering stroke inside a LIBERTY TAX OFFICE brought on by the stress caused by their lies and misrepresentation. Defendant also suffers from severe depression and blood pressure issues caused by constant dealings with liberty tax and there false accusations.

1 Liberty is falsely accusing defendant of some so called grand plan and it is simply conjecture with no proof whatsoever. LIBERTY makes these accusations simply as a way to hide their own wrong doing. Liberty forced franchisees to deal strictly with AD Jay Contreras and you were not provided any contact for anyone else. I was told by him only way I could keep corporate from opening up another office on 31

st street was to buy territory which I did because they had screwed up multiple returns in that office because the lady preparing taxes had only 2 weeks training. I did not want it affecting me since I was only a mile away. After buying it Jay informed me if I didn't open another office in that territory within a year I would be charged additional 11k a year for probable revenue if I was open.

I was offered a chance to trade territories for a office in Killeen. I was promised marketing help and told the office on rancier closed and I should pick up business from it. That was simply a lie because that office had moved between me and fort hood gate cutting off all business. MY Office was closed within 3 months due to no business and high overhead, when I addressed them about it I was treated as they done me a favor by letting me change offices because it had 20k in income and 35k in expenses. This is verifiable by the emails in their system they blocked me from.

Liberty tax was dropped when they settled a lawsuit with IRS over fraud and were put under third party supervision. They also settled a sexual harassment suit concerning their founder and ceo John Hewitt

I could not remain with a organization who had been on national news for fraud. Liberty has filed lawsuits all over the country against franchisees that dropped them for the same reason.

No business owner can be expected to operate under a organization deemed criminal in their actions.

As part of lawsuit, it shows how the ADs got paid every time they sold territory, one franchise in the area has been resold 4 times. That alone gave the ADS reason not to provide any support. The types of false promises Jay made can and will be verified by other ex-franchises he done the same thing too. As a representative of liberty tax and our only point of contact they are responsible for his actions which will be addressed in a counter suit if this goes forward.

2 Liberty tax opened a office directly across parking lot from defendant and sent out 50 percent off all past customers and called them all repeatedly actually lying to some telling them I was at that office. Customers have a right to decide who does their returns and I have 20 years experience and some clients who have been with me since the beginning, none of my preparers have less than 5 years experience compared to liberty who teaches their preparers through a so called 2 week rapid class,

3 AS part of plaintiff's request to refile. The terms liberty marks was suppose to be stricken from the record yet plaintiff is once again using those same terms and ignoring the court. it has been shown time and time again there are no marks being used and defendant wants no association with liberty. It has also already been 2 tax seasons since defendant left liberty therefore making the request to stop defendant from filing taxes moot anyway, liberty has changed their logos and name to distance themselves from their own wrongdoing.

4 Liberty tax has been purchased by nextpoint and they are the current owners . nexpoint is a California based lender that issues high interest loans and has a long list of regulatory issues

5 nextpoint is based in California

6 correct

7 correct

8 the amount is not correct.

9 DEFENDANT is and never has been a resident of Virginia. As pointed out above their corporate headquarters is no longer Virginia.

10 there is no property in question, yet all transactions took place in this territory.

11 correct but JTH no longer exists to the best of my knowledge.

12 unknown

13 once again the term marks is being used and should be omitted even though they have changed their marks

14 there is no secret marketing and such and can all be found online. Plaintiffs are concerned customers will be informed about there lies including 50 Cash and you get charged 60 , no interest loans mean that 200 to 300 are added into the fees for you to get them. What they tell you are Bank fees are actually half liberty tax fees. Electronic filing fees which don't exist CAUSE IRS doesn't have them, yet liberty presents it like they do. Even 20 dollars to print them off a check.

Put a 50 in front of them to focus on as you go over the 600 dollar fees QUICKLY AND EMPHASISE WHAT THEY ARE GETTING BACK so they don't notice them. These are all things I fought with them over cause I wouldn't do,

15 everything was handled by jay Contreras

16 five years have passed and they resold that territory and gave defendant no credit against so called bill

17 territory was traded for Killeen

18 there was never a office opened under defendant in that territory

19 killeen office went bankrupt just like 2 previous owners, one of which scott jimmerson had a massive heart attack and died, a lot of his condition brought on by liberty tax pressuring him saying he owed them over 500k

20 killeen office went bankrupt and was resold by liberty once again giving no credit to defendant. When defendant purchased no credit was given to trish maskery either which was previous owner.

21 unknown

22 unknown

23 plaintiffs training was simply a week of them saying why they charge more and why you didn't need to know taxes to own a liberty tax and that they were a marketing company who done taxes and not the other way around

24 once again plaintiff is using term marks which was covered in initial dismissal

25 by stating gross receipts that is stating they charged them on the 50 cash given out and on the 200 to 300 they were charging us for the loans therefore charging us royalties and advertising on top of there own fees . neither the 50 cash nor the loan fees can be considered income and rightfully shouldn't have been charged on them so they were basically charging double on those things, also absolutely no advertising was done for defendant

26 liberty was repackaging releases to defendant from republic bank at 1 percent and turning into loans at 12 percent.

27 due to various reasons stated above there is no amount due

28 my liberty tax office closed and no longer exists

29 no longer a liberty tax so do not use their software and when we were we had constant technical issues and were not able to talk to tech person

30 no longer liberty tax and past their 5 year agreement anyways

31 plaintiffs lost all goodwill when they settled lawsuit with IRS and it made national news. I was informed by a client when it came out in Forbes magazine. Also the majority of my clients have been with me long before I bought a liberty tax,

32 once again liberty is not taking responsibility for their actions and are simply trying to force people to stay with them even though they betrayed all trust by getting in trouble with the IRS and having many offices forcibly closed across the country by the IRS.

33 once again plaintiffs are addressing marks after pleading with the court to let them refile without referencing them.

34 there is nothing to divulge.

35 nothing to use.

36 franchise agreement are null and void due to plaintiffs actions

37 office and territory bankrupt

38 2 years have past so therefore moot,

39 repeating same as before and ignoring their crimes and loss of goodwill, ignoring fact they currently have an office directly across from me

40 previously the court has ruled against plaintiffs twice when they ask for injunctions against defendant, yet plaintiff ignores previous court rulings and once again ask for same thing again.

41 I did not agree to that

42 last year I was open liberty intercepted all fees coming to defendant forcing him to borrow outside money just to pay employees.

43 for reasons stated above there are no amounts due, and defendant would be forced to file bankruptcy if they were deemed owed.

44 am no longer liberty so that does not apply. Liberty simply wants me to be liberty again so they can once again intercept all fees.

45 liberty once again taking no blame for their criminal activities

46 office is no; longer liberty and they have sold territories not giving defendant any credit therefore any fees they claim should be considered paid

47 liberty simply wants money for territories already owned by others.

48 false

49 false

50 territory has been resold

51 territory has been resold

52 office closed and resold

53 offices are closed and no longer operating.

54 franchise does not exist anymore

55 it is all covered above.

56 as stated above defendant dropped liberty when they committed fraud

57 1400 west adams is 27 miles and 3 towns away from veterans memorial blvd in Killeen so since liberty stated when they had a office on 31st 1 mile away that is was not in competition then no possible way I could be competition to them,

58 do not owe

59 liberty has their own office and entitled to nothing

60 territories have been resold and operating under someone else

61 territories have been resold and defendant is no longer liberty

62 untrue

63 untrue

64 unknown

65

66 false because of circumstances. Liberty never provided customer support or tech support they promised and never provided anyone to contact with anyone other than jay conteras who was responsible for the lies I was told. This will be verified by another franchise he done the same too

67 plaintiffs have failed at everything from support to providing a good and honorable name.

68 computers initially bought with office were outdated and been replaced in 2020.

69 was not liberty tax and therefore did not use liberty software.

70 liberty broke all agreements

71 liberty broke agreement and also past 2 years

72 is not a franchise location and is across street from liberty hr block and Jackson Hewitt

73 there is no confidential information.

74 false simply accusations

75 false

76 false

77 false; liberty is right across street for anyone who wants to go too and current owner Lisa Comeau will verify that I have sent clients there that ask for liberty and that she actually brought me a client that was over her level of expertise

78 plaintiffs seem to want to blame defendant for their loss of integrity for settling fraud and harassment suits and this is simply a means of punishing defendant for holding them accountable.

79 plaintiffs continue to use words goodwill which is something they damaged on their own by their own actions and reason behind them changing logos and name.

80 once again there is no confidential information to use and once again by time tax season starts again 2 years will have passed even if liberty had not brought undue harm to defendant which they did.

81

82 false breached by their actions and lies.

83 false

84 not owed

85 false already have their own office

86

87 false

88 false

89 false white brought his own clients to liberty and they continue to go to whom they choose

90 false

91 is not a franchise location and plaintiffs' franchise is across the street

92 false breached by their actions

93 false plaintiff is once again simply trying to punish defendant for not wanting to be associated with criminal activity.

94 I have no idea what fictitious address they mentioned and the forbes article mentioned above was brought to my attention in mid December at which time I removed all liberty signage or covered that which couldn't be moved

95 false they simply want to force people to stay with them when they commit crimes.

96

97 false

98 false has been addressed throughout this filing.

99 liberty resold that territory

100 false and in case of judgement defendant would be forced to file bankruptcy.

101 false

102 false

103 false

104 false

105 false

106 false

107 false

108

109 false

110 not a franchise location. Franchise is across the street.

111 false all these accusations have already been addressed.

112 false

113 plaintiffs continue to claim continued harm and injury without once stating how or acknowledging their own actions as a cause.

114 how could plaintiffs state they continue to suffer damages when they have office open and running in same location.

115 since Natty's and defendant are one and same it is impossible for one to cause the other to do anything

116 Natty's and defendant are one and same so therefore one does not cause other to do anything.

117

118 plaintiffs request has already been denied on 2 occasions.

119 false

120 false

121 defendant is extremely insulted that plaintiff could claim something is unlawful when they admitted criminal activity in both the fraud and sexual harassment lawsuits.

122 defendant is disabled and preparing taxes for his clients is only source of income and yet since leaving liberty they have tried repeatedly to force him to stop making money basically forcing him and his 4-year-old daughter on the streets. They also continue to ignore the court's rulings on that in total disrespect for the court,

123 plaintiffs will not be able to hide their lies and criminal behavior from a jury and therefore have no chance for success and are trying to simply overwhelm the defendant with high dollar lawyers because they know he can't afford one.

124 once again plaintiffs cry irreputable harm, yet it has been 2 tax seasons already and they have their office, it is simply a way to try to force me out of business hoping they can pick up a few customers.

125 false plaintiffs have yet to be able to present in what way they are being harmed.

126 false

127 false defendant is disabled, and this is only source of income.

128 false defendants' clients have a right to have their taxes prepared by who they choose and as mentioned above when the liberty tax owner brings me a client that's over her head and she has called me numerous times asking tax questions which I have helped her with because customers do not deserve to have taxes filed by inexperienced people. This can be verified simply by my phone.

129

130 false

131 plaintiffs once again simply act as if they are right which they are not

DEFENDANT ASK THE COURT TO REFUSE TO LET THIS CASE PROCEED. THIS EXACT CASE HAS ALREADY BEEN CLOSED DUE TO PLAINTIFFS NEGLIGENCE. BY GRANTING PLAINTIFFS REQUEST TO REOPEN CASE IT WOULD SHOW EXTREME PREJUDICE TO THE DEFENDANT FOR HE FOLLOWED THE DEADLINES SET BY THE COURT AND THE PLAINTIFFS DID NOT.

IN THE MONTHS LEADING UP TO THAT PLAINTIFFS DELIBERATELY BURIED DEFENDANT IN PAPERWORK DURING TAX SEASON. PLAINTIFFS NEVER LET DEFENDANT ACCESS TO HIS EMAILS THAT PROVE THE MAJORITY OF HIS CASE THOUGH HE REQUESTED MANY TIMES . PLAINTIFFS NEVER PROVIDED DEFENDANT WITH ANYTHING HE ASK FOR'

BY GRANTING PLAINTIFFS REQUEST IT WOULD SHOW THAT BIG COMPANYS SHOULDN'T BE HELD ACCOUNTABLE FOR THEIR ACTIONS WHEN THEY SHOULD. BY GRANTING THEIR REQUEST IT WILL SET A PRECEDENT THAT A FRANCHISEE HAS NO RECOURSE WHEN THE FRANCHISOR BREAKS THE LAW. IT WILL ALSO SHOW THAT IF A HIGH POWERED LAW FIRM SCREWS UP THAT THEY WILL BE GIVEN A SECOND CHANCE

THE DEFENDANT HAS MULTIPLE HEALTH ISSUE AND A STROKE VICTIM WITH A LOSS OF 90 PERCENT MOVEMENT ON HIS LEFT SIDE, DIABETES , HIGH BLOOD PRESSURE . SEVERE DEPRESSION AND HEART PROBLEMS AND THE CONTINUATION OF THIS CASE COULD CAUSE SEVERE HARM/

I HUMBLY ASK THE COURT TO UPHOLD THEIR RULING OF CASE CLOSED AND NOY LET THIS PROCEED.

MICKEY WHITE

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